TRANSPORTATION PARTNERSHIPS FUND

FINANCIAL STATEMENTS

For the Year Ended March 31, 2001

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Transportation Partnerships Fund as at March 31, 2001 and the statements of revenue, expenditure and net assets and cash flows for the year then ended. The Fund's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Transportation Partnerships Fund as at March 31, 2001 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
August 20, 2001

Fred Wendel, CMA, CA
Acting Provincial Auditor

Statement 1

TRANSPORTATION PARTNERSHIPS FUND
STATEMENT OF FINANCIAL POSITION
As at March 31

	2001	2000
ASSETS		
Current Assets:		
Due from General Revenue Fund (Note 3)	$ 2,956,678	$ 1,702,178
Accounts Receivable	417,275	526,219
	$ 3,373,953	$ 2,228,397
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	$ 29,318	$ 9,202
Net Assets (Statement 2)	3,344,635	2,219,195
	$ 3,373,953	$ 2,228,397

(See accompanying notes to financial statements)

Statement 2

TRANSPORTATION PARTNERSHIPS FUND
STATEMENT OF REVENUE, EXPENDITURE AND NET ASSETS
For The Year Ending March 31

	2001	2000
Revenue		
Transportation Partnerships Agreement Revenues	$ 1,160,214	$ 1,265,299
Sale of Technology	16,050	12,000
Interest Revenue (Note 3)	140,295	61,994
Total Revenue	$ 1,316,559	$ 1,339,293
Expenditure		
Highway Improvement Projects	$ 43,723	$ 64,372
R & D Costs	53,364	3,973
Technology Manufacturing Costs	8,754	9,202
Administrative Expenses (Note 4)	85,278	75,025
Total Expenditure	$ 191,119	$ 152,572
Surplus for the year	$ 1,125,440	$ 1,186,721
Net Assets, beginning of year	2,219,195	1,032,474
Net Assets, end of year (Statement 1)	$ 3,344,635	$ 2,219,195

(See accompanying notes to financial statements)

Statement 3

TRANSPORTATION PARTNERSHIPS FUND
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	2001	2000
Cash flows from operating activities:		
Cash Receipts From Transportation Companies	$ 1,276,326	$ 1,088,026
Cash Receipts From Technology Sales	28,050	-
Interest Received	122,295	40,388
Cash Paid For Highway Improvement Projects	(38,280)	(64,372)
Cash Paid For R & D Initiatives	(29,490)	(3,973)
Cash Paid For Manufacturing Costs	(17,956)	-
Cash Paid to R.M. Shareables	(1,167)	(908)
Cash Paid For Administration	(85,278)	(175,025)
Net (decrease)increase in cash	$ 1,254,500	$ 884,136
Due From General Revenue Fund, beginning of year	1,702,178	818,042
Due From General Revenue Fund, end of year	$ 2,956,678	$ 1,702,178

(See accompanying notes to financial statements)

TRANSPORTATION PARTNERSHIPS FUND
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2001

1. Authority and Definition of Entity

The Transportation Partnerships Fund was established effective July 1, 1997 pursuant to Section 8 of *The Highways and Transportation Act, 1997*. The purpose of the Fund is to generate revenues to be used for highway improvement projects. The Transportation Partnerships Fund generates revenues subject to the terms of trucking partnership agreements, in which the transportation companies pay the Fund a portion of cost savings achieved from being able to haul overweight and/or over dimension loads. Additional revenues are raised through the marketing of transportation-related technology and expertise.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The following accounting principles are considered significant.

a) Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting.

b) Cash and cash equivalents consist of amounts on deposit with the General Revenue Fund.

3. Due from General Revenue Fund

The monies of the Transportation Partnerships Fund are deposited in the General Revenue Fund. Under this arrangement, earned interest is calculated and paid by the General Revenue Fund on the net position of the Transportation Partnerships Fund on a quarterly basis using the Government's thirty day borrowing rate and the Transportation Partnerships Fund's average daily bank account balance. The effective interest in the year was 5.42% (2000 – 5.08%).

4. Related Party Transactions

All Government of Saskatchewan agencies such as departments, corporations, boards, and commissions are related as they are controlled by the Government. These financial statements include transactions with other Government agencies. These transactions are in the normal course of operations and are recorded at agreed upon exchange amounts. During the year, the Fund was charged $85,278 (2000 - $75,025) by the Department of Highways and Transportation General Revenue Fund for salary and administrative expenses.

Accounts payable consist of $29,318 (2000 - $9,202) due to the Highways Revolving Fund.

Transportation partnerships agreement revenues include $32,808 (2000 - $122,678), from SaskPower, a related party, pursuant to a transportation partnership agreement between the Fund and SaskPower. At year-end, SaskPower owed the Fund $0 (2000 - $32,852).

The Fund earned interest income of $140,295 (2000 - $61,994) on monies deposited in the General Revenue Fund. At year-end, the Fund had monies deposited in the General Revenue Fund totaling $2,956,678 (2000 - $1,702,178).

5. Comparison of Planned and Actual Results

	Budget	Actual	Variance
REVENUE			
Transportation Partnership Agreements	$ 1,205,200	$1,160,214	$ (44,986)
Other Revenue	45,000	16,050	(28,950)
Interest Revenue	30,000	140,295	110,295
	$ 1,280,200	$1,316,559	$ 36,359
EXPENDITURES			
Road Expenditures	$ -	$ 43,723	$ (43,723)
Other Transportation Initiatives	156,700	62,118	94,582
Administrative Expenses	146,500	85,278	61,222
	$ 303,200	$ 191,119	$ 112,081
SURPLUS (DEFICIT) FOR THE YEAR	$ 977,000	$1,125,440	$ 148,440